

MEMORANDUM FOR: All IC Staff Employees

FROM :
Personnel Officer

SUBJECT : Retirement

1. The Director of Personnel, Mr. Robert Magee, recently briefed Agency employees on the current status of proposed changes in the CIA (CIARDS) and Civil Service (CSRS) retirement systems. As those faithful readers of The Federal Diary are aware, the retirement picture has been a confusing one of late. Mr. Magee's presentation was an attempt to put the subject into perspective, and he made the following points:

a. Although significant changes in the federal retirement systems have been proposed; including raising the age for retirement eligibility, changing the annuity base from high 3 to high 5 years average salary, and abolishing sick leave credit for annuity computation; all are still in the planning and review stages and no legislation has been introduced to make any a matter of law.

b. The Director of Central Intelligence (DCI) has been assured by Congress and the Administration that no increase will be made in the retirement eligibility age for CIARDS participants. They can continue to retire as early as age 50 with no reduction in annuity. The White House proposal to increase the CSRS retirement age for full annuity from 55 to 65 has not been supported by congressional committees and may not be implemented.

c. The DCI has written several letters to Congress and to Cabinet members stressing the unique aspect of CIA employees and their career responsibilities, and requesting that "early out" provisions be retained for all Agency employees, which would include IC Staff Permanent Cadre. Another option that would permit Agency employees early retirement would be to sever CIA's relationship with the Civil Service Retirement System in favor of developing a separate CIA program to cover CSRS as well as CIARDS participants. The feasibility of such a plan is currently under review.

d. If changes are made in the retirement systems, the White House has proposed 1 October 1985 as the "grandfather" date. That is, all employees eligible to retire under either the CIARDS or the CSRS as of 1 October 1985 would retain all current retirement benefits, including the high 3 average salary and sick leave credit features, no matter when they eventually retire. Some benefits, such as partial sick leave credit, would probably be granted to certain employees who become eligible for retirement after 1 October 1985.

2. We will continue to keep you informed on retirement issues as they are clarified. Please contact the ICS Personnel Office if you have any questions concerning retirement benefits.

